

FILED

FEB 23 2012

CITY CLERK

RESOLUTION NO. 2012-3

A Resolution of the Common Council of the City of Terre Haute,
Terre Haute, Indiana, Designating an Area Within
Vigo County, Indiana as an Economic Revitalization Area
for the Purpose of a Personal Property Tax Abatement

WHEREAS, A Petition for a personal property tax abatement has been filed with the Common Council of the City of Terre Haute, Terre Haute, Indiana (hereinafter "Common Council") requesting that the property described therein be designated an Economic Revitalization Area for purposes of personal property tax abatement; and

WHEREAS, **Unison Engine Components, Inc.** (hereinafter the "petitioner") has submitted a Statement of Benefits and provided all information and documentation necessary for the Common Council to make an informed decision, said information including a description of the real property which is more particularly described in Exhibit A.

WHEREAS, petitioner has represented and presented evidence that in connection with this Project it currently has an existing 356 full-time jobs with an annual payroll of \$19.2 million (approximately). Completion of this project will permit petitioner to maintain the existing full-time jobs and will create approximately 41 new permanent full-time jobs with a total annual payroll of approximately \$1,435,000.00. Petitioner has further represented and presented evidence that the cost of this project will be approximately \$20,800,000.00 for new equipment (the "manufacturing equipment").

WHEREAS, the Common Council is authorized under the provisions of I.C. 6-1.1-12.1-1, et seq. to designate areas of the City as economic revitalization areas for the purpose of tax abatement; and

WHEREAS, the Common Council has considered the Statement of Benefits and has conducted a complete and proper investigation of the subject property and neighborhood to determine that the area qualifies as an economic revitalization area under Indiana statutes; and

WHEREAS, the Common Council has found the subject property to be an area where facilities that are technologically, economically or energy obsolete, are located and where the obsolescence may lead to a decline in employment and tax revenues and has become undesirable for or impossible of normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements, character of occupancy, age, obsolescence, substandard buildings and other factors, which prevent normal development or use;

WHEREAS, Petitioner has initiated or may initiate the installation of certain new manufacturing equipment described in the Statement of Benefits before the Real Estate has been designated an economic revitalization area by the Common Council, or has installed certain new manufacturing equipment described in the Statement of Benefits before Applicant's Statement of Benefits was submitted to the Common Council; and

WHEREAS, pursuant to the provisions of I.C. 6-1.1-12.1-11.3, the Common Council seeks to waive any noncompliance with the requirements that an economic revitalization area be designated and that a completed Statement of Benefits form must be submitted to the Common Council, before the initiation of the installation, or the installation of new manufacturing equipment (the "Waivers");

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Common Council of Vigo County, Indiana, that:

1. The petitioner's estimate of the cost of new manufacturing equipment is reasonable for manufacturing equipment of that type in view of current technologies.
2. The petitioner's estimate of the number of individuals who will be employed and retained, and the benefits thereby, can reasonably be expected to result from the project and installation of new manufacturing equipment.
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed and retained, and the benefit thereby, can reasonably be expected to result from the project and the installation of the new manufacturing equipment.
4. That the benefits about which information has been requested can reasonably be expected to result from the installation of the new manufacturing equipment.
5. The totality of the benefits of the proposed project and installation of the new manufacturing equipment can reasonably be expected to result from the project and are sufficient to justify personal property tax abatement over a 10-year deduction period, and each such deduction should be, and they are hereby, allowed.
6. That the Statement of Benefits submitted to the Common Council is hereby approved and the Real Estate described in Exhibit A is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1, et seq. and petitioner is entitled to personal property tax abatement over a 10-year deduction period as provided therein for the proposed acquisition of the new manufacturing equipment.
7. The Common Council hereby finds that pursuant to I.C. 6-1.1-12.1-11.3, a resolution adopting Waivers waiving any noncompliance with the requirements that an economic revitalization area be designated before the initiation of the installation of new manufacturing

equipment for which Applicant desires to claim a deduction under I.C. 6-1.1-12.1, and that a completed Statement of Benefits form must be submitted to the Common Council before the installation of the new manufacturing equipment for which the Applicant desires to claim a deduction under I.C. 6-1.1-12.1, should be considered for adoption by the Common Council at a public hearing.

8. Notice of the adoption and substance of this Resolution shall be published according to I.C. 5-3-1 stating the adoption and substance hereof, stating a date for the public hearing at which the Common Council will hear and receive remonstrances and objections, and take final action on the designation of the Real Estate as an Economic Revitalization Area, the approval of the Statement of Benefits, and the consideration of the adoption of the Waivers, and stating that a copy of the description of the affected area is available for inspection in the County Assessor's Office, all as required by law.

9. That this Resolution is supplementary to and in addition to any prior resolutions.

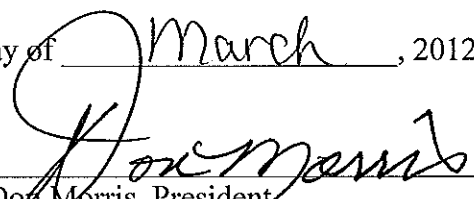
Passed in Open Council this 8th day of March, 2012.

Presented by:



Todd Nation, Councilman

Passed in open Council this 8th day of March, 2012.



Don Morris, President
Common Council of Terre Haute, Indiana

ATTEST:




Charles P. Hanley, City Clerk

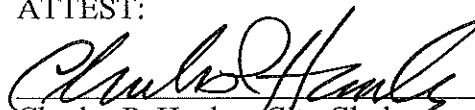
Presented by me to the Mayor this 9th day of March, 2012.


Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 9th day of MARCH, 2012.


Duke A. Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:


Charles P. Hanley, City Clerk

This instrument prepared by _____
Louis F. Britton, COX, ZWERNER, GAMBILL & SULLIVAN, LLP
511 Wabash Avenue, Terre Haute, IN 47807; (812) 232-6003.

EXHIBIT A

Parcel ID:	84-06-28-201-001.000-002
Tax ID:	118-06-28-201-001
Legal Description:	ORIGINAL TOWN S PRT-110 & 155 ALSO 109, 156-160, 209-212 & VAC STS & ALLEY 2005002188 28-12-9 LOTS 277-292 8.870 AC

**FINAL ACTION BY COMMON COUNCIL OF
THE CITY OF TERRE HAUTE,
TERRE HAUTE, INDIANA, REGARDING
RESOLUTION 2012-3
(Personal Property)**

WHEREAS, the Common Council of the City of Terre Haute, Terre Haute, Indiana, (hereinafter "Common Council") adopted Resolution 2012-3 on the 8th day of March, 2012, and pursuant to Indiana Law has published notice of the adoption and substance of said Resolution including a description of the affected area and notice that a description of the affected area is available for inspection in the office of the county assessor and further stating a date on which the Common Council would receive and hear remonstrances and objections and take final action and consider the adoptions of the waivers; and

WHEREAS, the Common Council has conducted the hearing as required by law and has received no remonstrances or objections to designation of the affected area as a revitalization area or to approval of the Statement of Benefits; and

WHEREAS, said matter is before the Common Council for final action pursuant to Indiana Law; and

WHEREAS, the Common Council has received and examined, prior to such hearing, a Statement of Benefits on the form prescribed by the Department of Local Government Finance and proper application for designation and has heard all appropriate evidence concerning the proposed project and has found and does find:

1. That the estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type.
2. That the estimate of individuals who will be employed or whose employment will be retained as a result of the installation of the new manufacturing equipment and the proposed project can reasonably be expected from the proposed project.
3. The estimate of annual salaries of those individuals who will be employed or whose employment will be retained can reasonably be expected to result from the proposed installation of the new manufacturing equipment and the proposed project. That the benefits about which information has been requested can be expected to result from the proposed project and the installation of the equipment.
4. That the benefits can reasonably be expected to result from the proposed installation of new manufacturing equipment and the proposed project.
5. That the totality of benefits is sufficient to justify the deduction.

6. That all qualifications for establishing an economic revitalization area have been met.

NOW, THEREFORE, for final action on Resolution 2012-3, the Common Council of the City of Terre Haute, Terre Haute, Indiana, RESOLVES, FINDS AND DETERMINES:

1. That all of the requirements for designation of the real estate described in Resolution 2012-3 as an Economic Revitalization Area have been met, the foregoing findings are true and that all information required to be submitted has been submitted in proper form.

2. That Resolution 2012-3 is in all respects confirmed and approved (as modified to incorporate therein this final action) and that the benefits of the proposed redevelopment are sufficient to justify personal property tax abatement over a 10-year deduction period under Indiana statutes for the proposed acquisition of the equipment described in the Statement of Benefits of petitioner and the deduction for the proposed project and acquisition of the equipment and the Statement of Benefits submitted are approved and the Common Council authorizes and directs endorsement of said Statement to show such approval and that the real estate described in Resolution 2012-3 is declared an economic revitalization area for the purposes of personal property tax abatement over a 10-year deduction period and the said real estate is hereby designated as an Economic Revitalization Area pursuant to I.C. 6-1.1-12.1-1, et. seq. and petitioner is entitled to personal property tax deduction over a 10-year deduction period in connection with the proposed acquisition of the new manufacturing equipment.

3. That after conducting a public hearing on the Waivers, the Common Council hereby finds and resolves that, pursuant to I.C. 6-1.1-12.1-11.3, this resolution adopting Waivers waiving any noncompliance by Applicant with the requirements that an economic revitalization area be designated before the initiation of the installation of new manufacturing equipment for which Applicant desires to claim a deduction under I.C. 6-1.1-12.1, and that a completed statement of benefits form must be submitted to the Common Council before the installation of the new manufacturing equipment for which Applicant desires to claim a deduction under I.C. 6-1.1-12.1, should be and is hereby adopted by the Common Council and that any such noncompliance by Applicant is hereby waived.

4. That said Resolution supplements any other designation of the real estate as a Revitalization Area or other similar designation.

5. That this Final Action, findings and confirmation of Resolution 2012-3 shall be incorporated in and be a part of Resolution 2012-3.

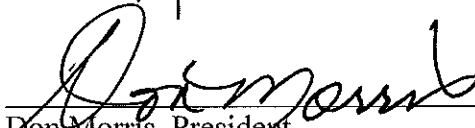
Passed in Open Council this 29th day of April, 2012.

Presented by:



Todd Nation, Councilman


Passed in open Council this 20th day of April, 2012.


Don Morris, President
Common Council of Terre Haute, Indiana

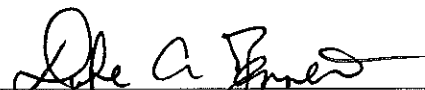
ATTEST:


Charles P. Hanley, City Clerk

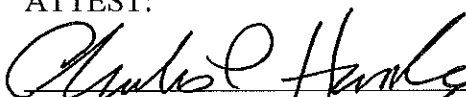
Presented by me to the Mayor this 20th day of April, 2012.


Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 20th day of April, 2012.


Duke A. Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:


Charles P. Hanley, City Clerk

This instrument prepared by _____
Louis F. Britton, COX, ZWERNER, GAMBILL & SULLIVAN, LLP
511 Wabash Avenue, Terre Haute, IN 47807; (812) 232-6003.

CITY OF TERRE HAUTE

PROPERTY TAX ABATEMENT PROGRAM APPLICATION

Ownership Information

Name	Address	Phone	Percentage Interest (if applicable)
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**Unison Engine Component, Inc.
Mike Sims, Senior Executive – C.O.E. Operations
(513) 243-4422**

Note: If the owner is a corporation, list the name, address and telephone number for the contact person representing the corporation.

If the owner is a partnership, list the name, address and telephone number of each general and/or limited partner and the percentage of interest in the property held by each general and/or limited partner.

If the owner is a sole proprietor, list the name, address and telephone number of the proprietor.

Property Description

A. Street Address: 333 S. Third Street, Terre Haute, IN

B. Parcel ID Number(s): 84-06-28-201-001.000-002

Current Status of Property

A. Current zoning designation of property: M-1, Light Industrial

B. Describe current improvements to the property, including estimated age of existing buildings:

Light industrial manufacturing facility. Estimated effective age of 35 years.

C. Describe the current use of the property, including the names of businesses currently operating (if applicable) and the current number of jobs (if applicable):

Industrial/manufacturing facility utilized by Unison Engine Component which currently employs 350 people.

D. Current total assessed valuation of land and all improvements: \$3,685,000

E. Describe any unique historical structure or aesthetic improvements: N/A

Proposed Improvements

A. Describe proposed real property improvements and projected costs: N/A

B. Describe proposed depreciable personal property improvements and projected costs:

The company is planning to spend in excess of \$20 million in personal property improvements relating to 3 new products—Combuster, Hub Frame, and Fan Frame.

C. List any public infrastructure improvements, with estimated costs, that will be necessary for the project: N/A

D. Project Start Date: March, 2010

E. Project Completion Date: December, 2014

Eligibility

A. State reasons why the project site qualifies as an Economic Revitalization Area as defined under State Law, i.e., lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors that have impaired values or prevent a normal development of property or use of property. In the case of manufacturing equipment, also indicate whether or not the area contains a facility or group of facilities that are technologically, economically, or energy obsolete and if the obsolescence may lead to a decline in employment and tax revenues:

The quality of our competition and the technological improvements within our industry requires continual capital investment in order to maintain a competitive position within our marketplace. Our prior growth history has awarded the Terre Haute plant expansion in several new product lines. This expansion will increase the capacity of the Terre Haute facility and will diversify our product base. Therefore, the temporary abatement of taxes levied on the new equipment will allow us to make the required capital investments, add to our existing workforce, and to remain competitive within our industry.

B. State the estimated number of new full-time employees (if applicable) and new employees retained (if applicable). Also include salaries and a description of employee benefits:

Number of new employees: 41 ; Average Annual Salary: \$35,000

Number of retained employees: 356 ; Average Annual Salary: \$54,000

Description of employee benefits for new and/or retained employees:

Unison Engine Components provides medical insurance, Flexible Spending, Dental Care, Life insurance, a 401k plan, retirement, GE product purchase plans, and gain sharing/profit sharing.

C. Please attach completed State of Indiana Statement of Benefits form for real property improvements (Form SB – 1/ RE) and/or State of Indiana Statement of Benefits form for personal property improvements (Form SB – 1/ PP) to this application material.

Ineligible Projects

Projects will not be considered if a building permit has already been obtained or construction has been initiated. This is because the decision of the Council to designate the Economic Revitalization Area must be passed on the finding that the area is "undesirable for normal development".

The City Council has the right to void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the reconfirmation date of the tax abatement resolution, or if the actual use is different than that approved.

Tax abatement for the rehabilitation or development of real property is not eligible for the following types of facilities:

1. Private or commercial golf courses.
2. Country club.
3. Massage parlor.
4. Tennis club.
5. Skating facility (including roller skating, skateboarding or ice skating).
6. Racquet sport facility (including any handball or racquetball court).
7. Hot tub facility.
8. Suntan facility.
9. Racetrack.
10. Any facility the primary purpose of which is:
 - a. retail food and beverage service;
 - b. automobile sales or service; or
 - c. other retail
11. Residential.
12. A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1. This subdivision does not apply to an applicant that:
 - (A) was eligible for tax abatement under this chapter before July 1, 1995;
 - (B) is described in IC 7.1-5-7-11; or
 - (C) operates a facility under:
 - (i) a beer wholesaler's permit under IC 7.1-3-3;
 - (ii) a liquor wholesaler's permit under IC 7.1-3-8; or
 - (iii) a wine wholesaler's permit under IC 7.1-3-13;

Certification

I hereby certify that the representations made in this application are true and I understand that if above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Terre Haute Common Council shall have the right to void such designation.

OWNER(S)*

Michael J. Smith

DATE

1/30/12

* If the entity seeking tax abatement is a corporation, an authorized representative must sign. If the entity is a partnership, all partners must sign. If the entity is a sole proprietorship, the proprietor must sign.

CITY OF TERRE HAUTE

PROPERTY TAX ABATMENT PROGRAM OVERVIEW AND GUIDELINE SCORING SYSTEM

Program Description

Property tax abatement in Indiana is authorized under Indiana Code 6-1.1-12.1 in the form of deductions from assessed valuation. Any property owner in a locally-designated Economic Revitalization Area (ERA) who makes improvements to the real property or installs eligible new or used personal property (such as manufacturing equipment and certain research and development equipment) is eligible for property tax abatement. Land does not qualify for abatement. .

Scoring System

The City of Terre Haute utilizes a scoring system as a guide for determining the appropriate length of time (one of ten time periods can be used) of the property tax abatement(s) being sought for a proposed project. Additional information on the scoring system can be found elsewhere in this document.

Indiana Real Property Assessment Standard

A property's assessed value is the basis for property taxes. Annually, local assessing officials assess the value of real property on March 1 based on market value in use of the property. Property owners can estimate the property taxes for new construction by adding the cost of the land and improvements together and multiplying by the tax rate. For real property tax abatement calculation purposes, the cost of the improvements (the land itself cannot be abated) would be utilized as the real property assessed value. This real property assessment value would then be phased-in over one of ten time periods.

Indiana Personal Property Assessment Standard

Personal property values are assessed March 1 of every year and are self reported by property owners to township assessors using prescribed state forms. Generally speaking, personal property taxes are levied against all tangible property other than real property. Numerous deductions can be applied to personal property. Of course, the value of personal property over time will be subject to depreciation, therefore, applicants are advised to seek the counsel of a financial advisor to determine which asset pool(s) (see following table) would be applicable to their particular project.

Additional information on the State of Indiana's property tax assessment system can be found at the Indiana Department of Local Government Finance website at www.in.gov/dlagf.

Indiana Pools of Assets by Lives Utilized on Federal Tax Return

Year of Acquisition	Pool #1 (1-4 Yrs)	Pool #2 (5-8 Yrs)	Pool #3 (9-12 yrs)	Pool #4 (13+ Yrs)
1	65%	40%	40%	40%
2	50%	56%	60%	60%
3	35%	42%	55%	63%
4	20%	32%	45%	54%
5		24%	37%	46%
6		18%	30%	40%
7		15%	25%	34%
8			20%	29%
9			16%	25%
10			12%	21%
11				15%
12				10%
13				5%

Note: The total valuation of a taxpayer's assessable depreciable personal property in a single taxing district cannot be less than 30% of the adjusted cost of all such property of the taxpayer.

Real Property Abatement Calculation

Real property abatement is a declining percentage of the increase in assessed value of the improvement based on one of the ten following time periods and percentages as determined by the City Council:

	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	95%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	65%	66%	63%	57%	50%	40%	25%			
5	50%	55%	50%	43%	34%	20%				
6	40%	44%	38%	29%	17%					
7	30%	33%	25%	14%						
8	20%	22%	13%							
9	10%	11%								
10	5%									

Depreciable Personal Property Abatement Calculation

Depreciable personal property tax abatement is a declining percentage of the assessed value of the newly installed manufacturing (and certain research/development and warehousing/distribution equipment), based upon one of the ten time periods and percentages as determined by the City Council:

	10 Year	9 Year	8 Year	7 Year	6 Year	5 Year	4 Year	3 Year	2 Year	1 Year
Year										
1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2	90%	88%	88%	85%	85%	80%	75%	66%	50%	
3	80%	77%	75%	71%	66%	60%	50%	33%		
4	70%	66%	63%	57%	50%	40%	25%			
5	60%	55%	50%	43%	34%	20%				
6	50%	44%	38%	29%	17%					
7	40%	33%	25%	14%						
8	30%	22%	13%							
9	20%	11%								
10	10%									

Project Eligibility Criteria

Decisions to designate areas as Economic Revitalization Areas are determined by the City Council. The City Council utilizes a numerical scoring system as a guide for designating areas as Economic Revitalization Areas within the corporate limits of the City of Terre Haute. Each project is scored on its individual merits. The points system that is utilized to evaluate projects considers the degree of revitalization that the project will have on the surrounding area as well as other facts such as employment (created and/or retained), investment, utilization of local construction firms and labor and so forth.

The following projects will be considered by the Terre Haute City Council for property tax abatement. The real property guideline project scoring criteria can be found in the section entitled "City of Terre Haute Real Property Tax Abatement Guideline Scoring Criteria" on page 8. For projects seeking personal property tax abatement, the "City of Terre Haute Personal Property Tax Abatement Guideline Scoring Criteria" can be found on page 10.

(A.) Manufacturing Project – Local manufacturing projects, local manufacturing-related office structures and local manufacturing-related warehouses that create or preserve employment within the city limits are eligible for property tax abatement. In the case of manufacturing facilities that directly produce product (as well as manufacturing related-warehouses), both real and depreciable personal property are eligible. In the case of manufacturing-related office structures, only real property is eligible for abatement. Also, certain research and development equipment may qualify for depreciable personal property tax abatement.

(B.) Non-Manufacturing Warehouse and Distribution Center Projects – Warehouses and distribution centers not related to a local manufacturing facility may be eligible for both real and depreciable personal property tax abatement. To be eligible for property tax abatement, the facility must substantially serve markets beyond the Terre Haute metropolitan area.

(C.) Office Space Development -- Office space developments within the city limits are eligible for real property abatement provided the project substantially serves markets beyond the Terre Haute metropolitan area.

(D.) Historic Preservation – Projects within the city limits that assist in the preservation of buildings of significant historical nature will be considered for real property abatement.

City of Terre Haute
Personal Property Tax Abatement Guideline Scoring Criteria

Company Name: Union Engine Components Inc.

Application Date: _____

1. New Personal Property Investment	5 points maximum	_____5_____
< \$500,000	1	
\$501,000 to \$1,000,000	2	
\$1,000,001 to \$2,000,000	3	
\$2,000,001 to \$3,000,000	4	
\$3,000,001 and up	5	
2. Anticipated New Full-Time Jobs Created Within 5 Years	5 points maximum	_____5_____
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
3. Anticipated Jobs To Be Retained	5 points maximum	_____5_____
1 to 10 employees	1	
11 to 20 employees	2	
21 to 30 employees	3	
31 to 40 employees	4	
41 employees and up	5	
4. Wage Rates	3 points maximum	_____3_____
\$7.50 to \$10.00 per hour	0	
\$10.01 to \$12.00 per hour	1	
\$12.01 to \$14.00 per hour	2	
\$14.01 per hour and up	3	
5. Benefits Package	1 point if offered	_____1_____
6. Targeted Business	1 point if project is good fit for community	_____1_____
8. Community Involvement	1 point if company plans or is already involved in community activities	_____1_____
9. Diverse Workforce	1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity	_____1_____

Total Points

22

Scoring

Length of Personal Property Abatement

20 points and up	10 years
18 to 19 points	9 years
16 to 17 points	8 years
14 to 15 points	7 years
12 to 13 points	6 years
10 to 11 points	5 years
8 to 9 points	4 years
6 to 7 points	3 years
4 to 5 points	2 years
2 to 3 points	1 year

Bonus Points

- | | | |
|---|---|-------------------|
| 1. American Made | Council may award one bonus point if equipment to be installed is manufactured or engineered in the United States | <u> </u> |
| 2. Installation By
Local Contractor(s) | Council may award one bonus point if a substantial portion of the equipment to be installed is by a company or individuals maintaining a place of business in Vigo County | <u> </u> |
| 3. Rehabilitation Of
Existing Facilities | Council may award one bonus point if the project involves the rehabilitation of existing facilities | <u> </u> |
| 4. Mentoring/Intern Program | Council may award one bonus point if applicant pledges to participate in a mentoring or intern program associated with a Vigo County educational institution | <u>1</u> |

Total Bonus Points

1

Grand Total Points

23

Recommended Length of Personal Property Abatement
Per Guideline Scoring Criteria
Years

10

Union Engine Components Inc.
333 S. Third Street
Terre Haute, IN

Equipment Listing for Abatement Application

Equipment Currently in Service:

70 Ton HVAC for vacuum furnace area	43,968
Cleaning Verification Booth	33,038
Cleaning Verification Station	146,672
GF Agiecharmilles Cut 30 EDM Machine - 1	150,374
GF Agiecharmilles Cut 30 EDM Machine - 2	150,374
FARO Arm, 8ft. Quantum, S/N Q08-05-09-07905	146,893
Omega 70 VerticalTurning Lathe	1,264,715
Laser for Cell	1,009,216
Crane assembly for Laser	7,304
Cincinnati Machine Mega 5XT	2,000,000
Auto Welding Unit	10,696
Manual Welder	10,696
Weld Head Locator	146,891
Welding Positioner - 1	27,362
Welding Positioner - 2	27,362
Welding Positioner - 3	27,362
Jib Crane -1	6,320
Jib Crane - 2	6,320
Facilities Improvement	105,959
Crane & Holst	9,930
6 Axis Laser	1,080,187
Automated Airflow System for Comb	123,985
90 ton Condensing unit	62,014
Borescope	10,968
Genscope	4,815
Plant Air Compressor	55,220
Cleanline	972,016
Right angle head	27,083
Backup Generator	50,452
Holsts	6,000
	<hr/>
	7,723,192

Union Engine Components Inc.
333 S. Third Street
Terre Haute, IN

Equipment Listing for Abatement Application

Tooling Currently in Service:

T110-602	4,934
T111-247	10,491
T111-250	3,623
T111-260	1,795
T112-589	3,428
T112-600	4,353
T112-625	2,022
T112-626	2,590
T112-629	7,891
T112-630	7,770
T140-155	2,363
T140-161	3,336
T150-276	6,137
T150-277	5,998
T150-292	3,373
T157-044	7,555
T200-289	12,700
T200-320	2,313
T300-820SN1	3,446
T300-932	3,134
PT1003-085	28,172
T100-274	2,660
T135-036	4,000
T135-037	3,500
T135-038	6,600
T157-050	3,275
	<hr/>
	147,460

Equipment to be in Service March 1, 2012:

EB Welder	1,950,000
Laser enclosure for chem mill	41,771
Laser - Phoenix	1,094,451
Laser upgrade - Unity	184,975
Faro Arm	163,104
CMM Laser Scanning System	391,734
Portable Material Alloy Analyzer	24,405
T300-820 Chem-mill Rotator Assembly	24,350
Ergo Carts / Lift Tables	11,494
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	3,886,284

Tooling to be in Service March 1, 2012:

T141-113 EDM FIXTURE	26,465
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	26,465

**Union Engine Components Inc.
333 S. Third Street
Terre Haute, IN**

Equipment Listing for Abatement Application

IT to be in Service March 1, 2012:

Wireless network	52,913
	<u>52,913</u>

Expected March 1, 2013 (Equipment):

Automated deburr for combustors	364,980
40" Univ Height Gauge	15,000
5-axis mill for FHF programs	2,217,500
TUE20 - FHF	950,000
FHF handling equipment	150,000
CMM	300,000
FPI Line Modification	200,000
Etch Line Modification	100,000
Local Heat Treat	100,000
Insert Equipment	75,000
	<u>4,472,480</u>

Expected March 1, 2014 (Equipment):

NPI Equipment for FHF	1,600,000
Laser - Phoenix	1,200,000
Coating system	1,585,000
EB weld upgrade	200,000
	<u>4,585,000</u>

Grand Total	20,893,793
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EXHIBIT A

Parcel ID: 84-06-28-201-001.000-002

Tax ID: 118-06-28-201-001

Legal Description: ORIGINAL TOWN S PRT-110 & 155 ALSO 109, 156-160,
209-212 & VAC STS & ALLEY 2005002188 28-12-9
LOTS 277-292 8.870 AC